

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Charter Township of Gun Plain	County Allegan
Audit Date 3/31/04	Opinion Date 5/27/04	Date Accountant Report Submitted to State: 8/19/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:


1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Siegfried Crandall PC			
Street Address 246 East Kilgore Road	City Kalamazoo	State MI	ZIP 49002-5599
Accountant Signature 		Date	

Charter Township of Gun Plain
Allegan County, Michigan
**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**
Year ended March 31, 2004

CONTENTS

	<i>Page</i>
INDEPENDENT AUDITORS' REPORT	3
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined balance sheet - all fund types and account group	4
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	5
Combined statement of revenues, expenditures, and changes in fund balances - budget and actual - general and special revenue funds	6
Combined statement of revenues, expenses, and changes in retained earnings - proprietary fund type	7
Combined statement of cash flows - proprietary fund type	8
Notes to financial statements	9 - 16
SUPPLEMENTARY INFORMATION:	
Governmental fund types:	
Statement of revenues, expenditures, and changes in fund balance - budget and actual - General Fund	17 - 19
Statement of revenues, expenditures, and changes in fund balance - budget and actual - Cemetery Fund	20
Proprietary fund type:	
Combining balance sheet - enterprise funds	21
Combining statement of revenues, expenses, and changes in retained earnings - enterprise funds	22
Combining statement of cash flows - enterprise funds	23
Fiduciary fund types:	
Combining statement of changes in assets and liabilities - all agency funds	24
SUPPLEMENTARY DATA:	
Schedules of bond retirement and annual interest requirements	25 - 27

INDEPENDENT AUDITORS' REPORT

**Board of Trustees
Charter Township of Gun Plain, Michigan**

We have audited the accompanying general purpose financial statements of the Charter Township of Gun Plain, Michigan, as of March 31, 2004, and for the year then ended, as listed in the contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Charter Township of Gun Plain, Michigan, at March 31, 2004, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary information and supplementary data, as listed in the contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Charter Township of Gun Plain, Michigan. This information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Siegfried Crandall P.C.

May 27, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

Charter Township of Gun Plain
COMBINED BALANCE SHEET - all fund types and account group
March 31, 2004

		<u>Governmental fund types</u>	
		<u>General</u>	<u>Special Revenue</u>
ASSETS			
Cash		\$ 371,191	\$ 81,810
Investments		469,873	-
Receivables:			
Taxes		19,189	-
Accounts		5,663	-
Assessments		-	-
Due from other funds		5,250	-
Due from other governmental units		51,949	-
Fixed assets (net of accumulated depreciation, where applicable)		-	-
		<u> </u>	<u> </u>
TOTAL ASSETS		<u>\$ 923,115</u>	<u>\$ 81,810</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES:			
Accounts payable and accrued expenses		\$ 32,350	\$ -
Accrued expenses		-	-
Due to other funds		-	-
Due to other governmental units		-	-
Long-term debt		-	-
		<u> </u>	<u> </u>
Total liabilities		<u>32,350</u>	<u>-</u>
FUND EQUITY:			
Investment in general fixed assets		-	-
Contributed capital		-	-
Retained earnings		-	-
Fund balance:			
Reserved for perpetual care		-	3,764
Unreserved:			
Designated		406,366	78,046
Undesignated		484,399	-
		<u> </u>	<u> </u>
Total fund equity		<u>890,765</u>	<u>81,810</u>
TOTAL LIABILITIES AND FUND EQUITY		<u>\$ 923,115</u>	<u>\$ 81,810</u>

<i>Proprietary fund type</i>	<i>Fiduciary fund type</i>	<i>Account group</i>	<i>Totals (memorandum only)</i>
<i>Enterprise</i>	<i>Agency</i>	<i>General fixed assets</i>	
\$ 664,510	\$ 10,755	\$ -	\$ 1,128,266
-	-	-	469,873
-	-	-	19,189
45,556	-	-	51,219
479,618	-	-	479,618
85,575	-	-	90,825
-	-	-	51,949
<u>3,686,227</u>	<u>-</u>	<u>1,280,223</u>	<u>4,966,450</u>
<u>\$ 4,961,486</u>	<u>\$ 10,755</u>	<u>\$ 1,280,223</u>	<u>\$ 7,257,389</u>
\$ 17,385	\$ -	\$ -	\$ 49,735
18,400	-	-	18,400
85,575	5,250	-	90,825
-	5,505	-	5,505
<u>1,360,000</u>	<u>-</u>	<u>-</u>	<u>1,360,000</u>
<u>1,481,360</u>	<u>10,755</u>	<u>-</u>	<u>1,524,465</u>
-	-	1,280,223	1,280,223
3,004,669	-	-	3,004,669
475,457	-	-	475,457
-	-	-	3,764
-	-	-	484,412
<u>-</u>	<u>-</u>	<u>-</u>	<u>484,399</u>
<u>3,480,126</u>	<u>-</u>	<u>1,280,223</u>	<u>5,732,924</u>
<u>\$ 4,961,486</u>	<u>\$ 10,755</u>	<u>\$ 1,280,223</u>	<u>\$ 7,257,389</u>

See notes to financial statements

Charter Township of Gun Plain**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - all governmental fund types***Year ended March 31, 2004*

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (memorandum only)</u>
REVENUES:			
Taxes	\$ 314,867	\$ -	\$ 314,867
Licenses and permits	72,145	-	72,145
Federal grant	35,437	-	35,437
State grants	401,205	-	401,205
Fines and forfeitures	3,336	-	3,336
Charges for services	-	37,269	37,269
Interest and rentals	15,146	1,032	16,178
Other	4,027	530	4,557
Total revenues	<u>846,163</u>	<u>38,831</u>	<u>884,994</u>
EXPENDITURES:			
Legislative	12,187	-	12,187
General government	315,712	79,626	395,338
Public safety	196,633	-	196,633
Public works	256,397	-	256,397
Community and economic development	5,130	-	5,130
Recreation and cultural	6,860	-	6,860
Capital outlay	24,607	-	24,607
Total expenditures	<u>817,526</u>	<u>79,626</u>	<u>897,152</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>28,637</u>	<u>(40,795)</u>	<u>(12,158)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	25,000	25,000
Operating transfers out	(25,000)	-	(25,000)
Total other financing sources (uses)	<u>(25,000)</u>	<u>25,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	3,637	(15,795)	(12,158)
FUND BALANCE - BEGINNING OF YEAR	<u>887,128</u>	<u>97,605</u>	<u>984,733</u>
FUND BALANCE - END OF YEAR	<u>\$ 890,765</u>	<u>\$ 81,810</u>	<u>\$ 972,575</u>

See notes to financial statements

Charter Township of Gun Plain**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCES - BUDGET AND ACTUAL - *general and special revenue funds****Year ended March 31, 2004*

	<i>General Fund</i>		
	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 298,303	\$ 314,867	\$ 16,564
Licenses and permits	60,000	72,145	12,145
Federal grant	53,031	35,437	(17,594)
State grants	433,500	401,205	(32,295)
Fines and forfeitures	3,000	3,336	336
Charges for services	-	-	-
Interest and rentals	28,819	15,146	(13,673)
Other	33,400	4,027	(29,373)
Total revenues	910,053	846,163	(63,890)
EXPENDITURES:			
Legislative	13,250	12,187	1,063
General government	335,525	315,712	19,813
Public safety	183,141	196,633	(13,492)
Public works	289,531	256,397	33,134
Community and economic development	10,700	5,130	5,570
Recreation and cultural	7,000	6,860	140
Capital outlay	9,000	24,607	(15,607)
Total expenditures	848,147	817,526	30,621
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	61,906	28,637	(33,269)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	(25,000)	(25,000)	-
Total other financing sources (uses)	(25,000)	(25,000)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	36,906	3,637	(33,269)
FUND BALANCE - BEGINNING OF YEAR	887,128	887,128	-
FUND BALANCE - END OF YEAR	\$ 924,034	\$ 890,765	\$ (33,269)

<i>Special Revenue Fund</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ -	\$ -	\$ -	\$ 298,303	\$ 314,867	\$ 16,564
-	-	-	60,000	72,145	12,145
-	-	-	53,031	35,437	(17,594)
-	-	-	433,500	401,205	(32,295)
-	-	-	3,000	3,336	336
36,000	37,269	1,269	36,000	37,269	1,269
1,450	1,032	(418)	30,269	16,178	(14,091)
<u>27,600</u>	<u>530</u>	<u>(27,070)</u>	<u>61,000</u>	<u>4,557</u>	<u>(56,443)</u>
<u>65,050</u>	<u>38,831</u>	<u>(26,219)</u>	<u>975,103</u>	<u>884,994</u>	<u>(90,109)</u>
-	-	-	13,250	12,187	1,063
79,663	79,626	37	415,188	395,338	19,850
-	-	-	183,141	196,633	(13,492)
-	-	-	289,531	256,397	33,134
-	-	-	10,700	5,130	5,570
-	-	-	7,000	6,860	140
<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>10,000</u>	<u>24,607</u>	<u>(14,607)</u>
<u>80,663</u>	<u>79,626</u>	<u>1,037</u>	<u>928,810</u>	<u>897,152</u>	<u>31,658</u>
<u>(15,613)</u>	<u>(40,795)</u>	<u>(25,182)</u>	<u>46,293</u>	<u>(12,158)</u>	<u>(58,451)</u>
25,000	25,000	-	25,000	25,000	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,387	(15,795)	(25,182)	46,293	(12,158)	(58,451)
<u>97,605</u>	<u>97,605</u>	<u>-</u>	<u>984,733</u>	<u>984,733</u>	<u>-</u>
<u>\$ 106,992</u>	<u>\$ 81,810</u>	<u>\$ (25,182)</u>	<u>\$ 1,031,026</u>	<u>\$ 972,575</u>	<u>\$ (58,451)</u>

See notes to financial statements

Charter Township of Gun Plain

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - *proprietary fund type***

Year ended March 31, 2004

OPERATING REVENUES	\$ 252,293
OPERATING EXPENSES	<u>344,723</u>
OPERATING LOSS	<u>(92,430)</u>
NONOPERATING REVENUES (EXPENSES):	
Debt service charges	39,004
Special assessment interest	39,508
Interest revenue	4,811
Interest expense	<u>(67,281)</u>
Total nonoperating revenues (expenses)	<u>16,042</u>
NET LOSS	(76,388)
Add depreciation on fixed assets acquired by grants, externally restricted for capital acquisition and construction, that reduces contributed capital	<u>63,720</u>
DECREASE IN RETAINED EARNINGS	(12,668)
RETAINED EARNINGS - BEGINNING OF YEAR	<u>488,125</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 475,457</u>

See notes to financial statements

Charter Township of Gun Plain**COMBINED STATEMENT OF CASH FLOWS - *proprietary fund type****Year ended March 31, 2004*

Cash flows from operating activities:	
Receipts from customers and users	\$ 249,049
Payments to suppliers	(222,846)
Payments to employees	<u>(4,431)</u>
Net cash provided by operating activities	<u>21,772</u>
Cash flows from noncapital financing activities:	
Increase in amount due from other funds	(85,575)
Increase in amount due to other funds	<u>85,575</u>
Net cash provided by noncapital financing activities	<u>-</u>
Cash flows from capital and related financing activities:	
Collection of special assessment principal	74,792
Collections of special assessment interest	39,508
Debt service charges	39,004
Principal payments on bonds	(115,000)
Interest payments on bonds	<u>(82,656)</u>
Net cash used in capital and related financing activities	<u>(44,352)</u>
Cash flows from investing activities:	
Interest received	<u>4,811</u>
Net decrease in cash	(17,769)
Cash - beginning of year	<u>682,279</u>
Cash - end of year	<u>\$ 664,510</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (92,430)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	110,768
Increase in accounts receivable	(3,244)
Increase in accounts payable	<u>6,678</u>
Net cash provided by operating activities	<u>\$ 21,772</u>

See notes to financial statements

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Charter Township of Gun Plain, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant accounting policies:

a) Reporting entity:

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Township. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Township has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a blended or discretely-presented component unit in the Township's financial statements.

b) Basis of presentation:

The accounts of the Township are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The financial activities of the Township are recorded in the separate funds and account group, categorized, and described as follows:

(i) Governmental funds:

General Fund - this fund is used to account for all financial resources not accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from state distributions and property taxes.

Special Revenue Fund - this fund is used to account for specific revenue derived primarily from general fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory, or administrative requirements. This fund is used to account for the Township's cemetery operations.

(ii) Proprietary funds:

Enterprise funds - the enterprise funds are comprised of the water and sewer funds and are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

b) Basis of presentation (continued):

(iii) Fiduciary funds:

Agency funds - agency funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

iv) Account group:

General fixed asset account group - fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

c) Basis of accounting:

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.

The proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. The Township has elected to follow (1) all GASB pronouncements and (2) Financial Accounting Standards Board statements and interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

d) Budgets and budgetary accounting:

The Township follows the procedures in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

Budgets for the general and special revenue funds are adopted at the activity level and are on a basis consistent with generally accepted accounting principles.

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

e) Receivables:

All receivables are expected to be fully collectible as presented.

f) Fixed assets:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water and sewer systems	40-50 years
Equipment	5-10 years

g) Property tax:

Property taxes are levied as of December 1 on property values assessed as of December 31 of the prior year. The billings are due on February 14 (with the final collection date of February 28), at which time the bill becomes delinquent and penalties and interest may be assessed by the Township. The Township considers property taxes levied December 1 as revenue of the current year.

h) Fund equity:

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

i) Totals - (memorandum only):

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 - CASH AND INVESTMENTS:

A reconciliation of cash and investments to the Township's deposits and investments, as shown in the combined balance sheet, is as follows:

Financial statements:

Cash	\$1,128,266
Investments	<u>469,873</u>
	<u>\$1,598,139</u>

Notes to financial statements:

Deposits	\$1,128,165
Investments	469,873
Cash on hand	<u>101</u>
	<u>\$1,598,139</u>

a) Deposits:

Deposits are carried at cost and are maintained at various financial institutions in the name of the Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in accounts of federally-insured banks, credit unions, and savings and loan associations. At March 31, 2004, the Township has deposits with a carrying amount of \$1,128,165 and a bank balance of \$1,165,211. Of the bank balance, \$200,000 is covered by federal depository insurance and \$965,211 is uninsured.

b) Investments:

State statute authorizes the Township to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper, with three highest rate classifications by at least two rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; e) mutual funds that invest in investments allowed by state statute; and f) investment pools organized under the local government investment pool act.

Investments are carried at fair value and consist of:

Risk categorized funds category (2):	
U.S. Government agency bonds	\$192,853
Non-risk categorized funds:	
Mutual funds	<u>277,020</u>
	<u>\$469,873</u>

Category 2 includes investments that are held by the counter party's trust department (or agent) in the Township's name, these investments are neither insured nor registered.

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES:

The amounts of interfund receivables and payables at March 31, 2004, are as follows:

<u>Fund</u>	<u>Interfund receivables</u>	<u>Fund</u>	<u>Interfund payables</u>
General	\$ 5,250	Trust and Agency Tax Collection	\$ 890 <u>4,360</u> 5,250
Sewer	<u>85,575</u>	Water	<u>85,575</u>
	<u>\$90,825</u>		<u>\$90,825</u>

NOTE 4 - FIXED ASSETS:

The following is a schedule of changes in general fixed assets of the Township during the year ended March 31, 2004:

	<u>Balance April 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance March 31, 2004</u>
Land	\$ 23,804	\$ -	\$ -	\$ 23,804
Buildings	448,309	-	-	448,309
Furniture and equipment	93,967	7,353	-	101,320
Fire equipment	404,508	-	-	404,508
Fire station	192,711	-	-	192,711
Cemetery equipment	<u>109,571</u>	<u>-</u>	<u>-</u>	<u>109,571</u>
Investment in general fixed assets	<u>\$1,272,870</u>	<u>\$7,353</u>	<u>\$ -</u>	<u>\$1,280,223</u>

A summary of proprietary fund type fixed assets at March 31, 2004, is as follows:

	<u>Enterprise funds</u>		
	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
Sewer system	\$2,869,413	\$ -	\$2,869,413
Water system	-	2,124,791	2,124,791
Machinery and equipment	<u>2,362</u>	<u>612</u>	<u>2,974</u>
	2,871,775	2,125,403	4,997,178
Less accumulated depreciation	<u>641,482</u>	<u>669,469</u>	<u>1,310,951</u>
Net book value	<u>\$2,230,293</u>	<u>\$1,455,934</u>	<u>\$3,686,227</u>

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - LONG-TERM DEBT:

Long-term debt at March 31, 2004, is comprised of the following individual bond issues:

Enterprise funds:

\$325,000 1993 Sewer limited tax general obligation bonds - payable in annual installments of \$25,000, plus interest at 5.000%; final payment due May 2007	\$ 100,000
---	------------

\$690,000 1999 Sewer limited tax general obligation bonds - payable in annual installments ranging from \$15,000 to \$55,000, plus interest at 4.000% to 5.375%; final payment due November 2019	630,000
--	---------

\$890,000 1999 Sewer special assessment bonds - payable in annual installments of \$70,000, plus interest at 3.800% to 4.900%; final payment due September 2012	<u>630,000</u>
---	----------------

\$1,360,000

The full faith and resources of the Township have been pledged for the payment of all long-term debt requirements.

A summary of long-term debt transactions of the Township for the year ended March 31, 2004, is as follows:

Balance - April 1, 2003	\$1,475,000
Retirements	<u>(115,000)</u>
Balance - March 31, 2004	<u>\$1,360,000</u>

The annual requirements to amortize all debt outstanding at March 31, 2004, including interest of \$461,236, are as follows:

2005	\$ 184,149
2006	178,844
2007	178,432
2008	172,694
2009	141,857
Thereafter	<u>965,260</u>
	<u>\$1,821,236</u>

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 - DEFINED CONTRIBUTION PENSION PLAN:

The Township provides pension benefits for substantially all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate from the date of employment. The Township contributes 15% of each qualified employee's base salary to the plan. The Township's contributions are fully vested immediately. The Township is not a trustee of the plan, nor is the Township responsible for investment management of plan assets.

The Township made the required contributions of \$16,586 for the year ended March 31, 2004.

NOTE 7 - SEGMENT INFORMATION:

The Township provides sewer and water services to customers that are accounted for in two enterprise funds. Segment information for the year ended March 31, 2004, is as follows:

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
Operating revenues	\$ 169,567	\$ 82,726	\$ 252,293
Depreciation expense	67,968	42,800	110,768
Operating loss	(60,715)	(31,715)	(92,430)
Net loss	(46,350)	(30,038)	(76,388)
Net working capital	429,878	189,403	619,281
Total assets	3,224,589	1,736,897	4,961,486
Long-term debt	1,240,000	-	1,240,000
Total equity	1,834,789	1,645,337	3,480,126

NOTE 8 - CLAIMS ARISING FROM RISKS OF LOSS:

The Township is exposed to various risks of loss to general liability, property and casualty, and workers' compensation.

The risks of loss arising from general liability up to \$5,000,000, building contents, workers' compensation, and casualty are managed through purchased commercial insurance.

Charter Township of Gun Plain
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds, which were in excess of the amounts appropriated, as follows:

The following schedule sets forth significant budget variations.

<u>Fund</u>	<u>Activity</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	Administration	\$126,000	\$129,019	\$ 3,019
	Police protection	65,000	72,923	7,923
	Inspections	45,000	57,028	12,028
	Road construction and maintenance	163,000	165,521	2,521
	Wellhead protection	10,500	17,648	7,148
	Capital outlay	9,000	24,607	15,607

NOTE 10 - CONSTRUCTION CODE ACT:

A summary of construction code enforcement transactions for the year ended March 31, 2004, is as follows:

Construction code permits revenues	\$56,447
Inspections expenses	<u>57,028</u>
Deficiency of revenues over expenses	<u>\$ (581)</u>

SUPPLEMENTARY INFORMATION

Charter Township of Gun Plain**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -General Fund**

Year ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Taxes:			
Property taxes	\$ 240,746	\$ 254,266	\$ 13,520
Tax collection fees	56,557	59,047	2,490
Trailer park fees	<u>1,000</u>	<u>1,554</u>	<u>554</u>
Total taxes	<u>298,303</u>	<u>314,867</u>	<u>16,564</u>
Licenses and permits:			
Construction code permits	45,000	56,447	11,447
Cable television franchise fees	10,000	13,341	3,341
Zoning fees	<u>5,000</u>	<u>2,357</u>	<u>(2,643)</u>
Total licenses and permits	<u>60,000</u>	<u>72,145</u>	<u>12,145</u>
Federal grant - Community Development Block Grant	<u>53,031</u>	<u>35,437</u>	<u>(17,594)</u>
State grants:			
State shared revenue	423,000	390,705	(32,295)
Other	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Total state grants	<u>433,500</u>	<u>401,205</u>	<u>(32,295)</u>
Fines and forfeitures	<u>3,000</u>	<u>3,336</u>	<u>336</u>
Interest and rentals:			
Interest	26,319	11,392	(14,927)
Rentals	<u>2,500</u>	<u>3,754</u>	<u>1,254</u>
Total interest and rentals	<u>28,819</u>	<u>15,146</u>	<u>(13,673)</u>
Other	<u>33,400</u>	<u>4,027</u>	<u>(29,373)</u>
Total revenues	<u>910,053</u>	<u>846,163</u>	<u>(63,890)</u>

Charter Township of Gun Plain**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND****BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES:			
Legislative - Board of Trustees	\$ 13,250	\$ 12,187	\$ 1,063
General government:			
Supervisor/Manager	55,500	46,044	9,456
Elections	5,000	240	4,760
Assessor	28,667	28,390	277
Legal and audit	27,000	22,897	4,103
Clerk	38,395	36,206	2,189
Board of review	1,500	762	738
Treasurer	37,963	36,907	1,056
Hall and grounds	15,500	15,247	253
Administration	126,000	129,019	(3,019)
Total general government	335,525	315,712	19,813
Public safety:			
Fire department	73,141	66,682	6,459
Police protection	65,000	72,923	(7,923)
Inspections	45,000	57,028	(12,028)
Total public safety	183,141	196,633	(13,492)
Public works:			
CDBG project - sewer discharge line	53,031	41,152	11,879
Road construction and maintenance	163,000	165,521	(2,521)
Sanitation	57,000	25,660	31,340
Wellhead protection	10,500	17,648	(7,148)
Street lighting	6,000	6,416	(416)
Total public works	289,531	256,397	33,134
Community and economic development:			
Planning and zoning	10,700	5,130	5,570

Charter Township of Gun Plain**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES (Continued):			
Recreation and cultural	<u>\$ 7,000</u>	<u>\$ 6,860</u>	<u>\$ 140</u>
Capital outlay	<u>9,000</u>	<u>24,607</u>	<u>(15,607)</u>
Total expenditures	<u>848,147</u>	<u>817,526</u>	<u>30,621</u>
EXCESS OF REVENUES OVER EXPENDITURES	61,906	28,637	(33,269)
OTHER FINANCING USES:			
Operating transfers out - Cemetery Fund	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES	36,906	3,637	(33,269)
FUND BALANCE - BEGINNING OF YEAR	<u>887,128</u>	<u>887,128</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 924,034</u>	<u>\$ 890,765</u>	<u>\$ (33,269)</u>

Charter Township of Gun Plain**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND****BALANCE - BUDGET AND ACTUAL - Cemetery Fund***Year ended March 31, 2004*

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Charges for services:			
Grave openings	\$ 20,000	\$ 21,125	\$ 1,125
Foundations	6,000	10,019	4,019
Lot sales	10,000	6,125	(3,875)
Interest	1,450	1,032	(418)
Other	<u>27,600</u>	<u>530</u>	<u>(27,070)</u>
Total revenues	<u>65,050</u>	<u>38,831</u>	<u>(26,219)</u>
EXPENDITURES:			
General government - cemetery operations	79,663	79,626	37
Capital outlay	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>80,663</u>	<u>79,626</u>	<u>1,037</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(15,613)	(40,795)	(25,182)
OTHER FINANCING SOURCES:			
Operating transfers in - General Fund	<u>25,000</u>	<u>25,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	9,387	(15,795)	(25,182)
FUND BALANCE - BEGINNING OF YEAR	<u>97,605</u>	<u>97,605</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 106,992</u>	<u>\$ 81,810</u>	<u>\$ (25,182)</u>

Charter Township of Gun Plain
COMBINING BALANCE SHEET - enterprise funds
March 31, 2004

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
ASSETS			
CURRENT ASSETS:			
Cash	\$ 395,163	\$ 269,347	\$ 664,510
Accounts receivable	33,940	11,616	45,556
Due from other funds	85,575	-	85,575
Special assessments receivable - current portion	<u>65,000</u>	<u>-</u>	<u>65,000</u>
Total current assets	<u>579,678</u>	<u>280,963</u>	<u>860,641</u>
OTHER ASSETS:			
Special assessments receivable (net of current portion)	<u>414,618</u>	<u>-</u>	<u>414,618</u>
FIXED ASSETS:			
Sewer system	2,869,413	-	2,869,413
Water system	-	2,124,791	2,124,791
Machinery and equipment	<u>2,362</u>	<u>612</u>	<u>2,974</u>
	2,871,775	2,125,403	4,997,178
Less accumulated depreciation	<u>641,482</u>	<u>669,469</u>	<u>1,310,951</u>
Net fixed assets	<u>2,230,293</u>	<u>1,455,934</u>	<u>3,686,227</u>
TOTAL ASSETS	<u>\$ 3,224,589</u>	<u>\$ 1,736,897</u>	<u>\$ 4,961,486</u>

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES:			
Current maturities of long-term debt	\$ 120,000	\$ -	\$ 120,000
Due to other funds	-	85,575	85,575
Accounts payable	11,400	5,985	17,385
Accrued expenses	<u>18,400</u>	<u>-</u>	<u>18,400</u>
Total current liabilities	149,800	91,560	241,360
LONG-TERM DEBT, less current maturities	<u>1,240,000</u>	<u>-</u>	<u>1,240,000</u>
Total liabilities	<u>1,389,800</u>	<u>91,560</u>	<u>1,481,360</u>
FUND EQUITY:			
Contributed capital, net of accumulated amortization	1,611,142	1,393,527	3,004,669
Retained earnings:			
Unreserved, undesignated	<u>223,647</u>	<u>251,810</u>	<u>475,457</u>
Total fund equity	<u>1,834,789</u>	<u>1,645,337</u>	<u>3,480,126</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 3,224,589</u>	<u>\$ 1,736,897</u>	<u>\$ 4,961,486</u>

Charter Township of Gun Plain**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - *enterprise funds****Year ended March 31, 2004*

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
OPERATING REVENUES:			
Charges for services	\$ 147,422	\$ 73,170	\$ 220,592
Connection fees	16,900	1,700	18,600
Other	<u>5,245</u>	<u>7,856</u>	<u>13,101</u>
Total operating revenues	<u>169,567</u>	<u>82,726</u>	<u>252,293</u>
OPERATING EXPENSES:			
Operating supplies	1,233	8,576	9,809
Flow charges	97,283	8,593	105,876
System operation and maintenance	26,687	36,124	62,811
Professional services	4,982	3,801	8,783
Utilities	11,095	6,452	17,547
Repairs and maintenance	21,034	8,095	29,129
Depreciation	<u>67,968</u>	<u>42,800</u>	<u>110,768</u>
Total operating expenses	<u>230,282</u>	<u>114,441</u>	<u>344,723</u>
OPERATING LOSS	<u>(60,715)</u>	<u>(31,715)</u>	<u>(92,430)</u>
NONOPERATING REVENUES (EXPENSES):			
Debt service charges	39,004	-	39,004
Special assessment interest	39,508	-	39,508
Interest revenue	3,134	1,677	4,811
Interest expense	<u>(67,281)</u>	<u>-</u>	<u>(67,281)</u>
Total nonoperating revenues (expenses)	<u>14,365</u>	<u>1,677</u>	<u>16,042</u>
NET LOSS	(46,350)	(30,038)	(76,388)
Add depreciation on fixed assets acquired by grants, externally restricted for capital acquisition and construction, that reduces contributed capital	<u>23,096</u>	<u>40,624</u>	<u>63,720</u>
INCREASE (DECREASE) IN RETAINED EARNINGS	(23,254)	10,586	(12,668)
RETAINED EARNINGS - BEGINNING OF YEAR	<u>246,901</u>	<u>241,224</u>	<u>488,125</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 223,647</u>	<u>\$ 251,810</u>	<u>\$ 475,457</u>

Charter Township of Gun Plain**COMBINING STATEMENT OF CASH FLOWS - enterprise funds**

Year ended March 31, 2004

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 168,187	\$ 80,862	\$ 249,049
Payments to suppliers	(157,386)	(65,460)	(222,846)
Payments to employees	<u>(1,687)</u>	<u>(2,744)</u>	<u>(4,431)</u>
Net cash provided by operating activities	<u>9,114</u>	<u>12,658</u>	<u>21,772</u>
Cash flows from noncapital financing activities:			
Increase in amount due from other funds	(85,575)	-	(85,575)
Increase in amount due to other funds	<u>-</u>	<u>85,575</u>	<u>85,575</u>
Net cash provided by (used in) noncapital financing activities	<u>(85,575)</u>	<u>85,575</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Collection of special assessment principal	69,857	4,935	74,792
Collection of special assessment interest	39,508	-	39,508
Debt service charges	39,004	-	39,004
Principal payments on bonds	(115,000)	-	(115,000)
Interest payments on bonds	<u>(82,656)</u>	<u>-</u>	<u>(82,656)</u>
Net cash provided by (used in) capital and related financing activities	<u>(49,287)</u>	<u>4,935</u>	<u>(44,352)</u>
Cash flows from investing activities:			
Interest revenue	<u>3,134</u>	<u>1,677</u>	<u>4,811</u>
Net increase (decrease) in cash	(122,614)	104,845	(17,769)
Cash - beginning of year	<u>517,777</u>	<u>164,502</u>	<u>682,279</u>
Cash - end of year	<u>\$ 395,163</u>	<u>\$ 269,347</u>	<u>\$ 664,510</u>
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	\$ (60,715)	\$ (31,715)	\$ (92,430)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	67,968	42,800	110,768
Increase in accounts receivable	(1,380)	(1,864)	(3,244)
Increase in accounts payable	<u>3,241</u>	<u>3,437</u>	<u>6,678</u>
Net cash provided by operating activities	<u>\$ 9,114</u>	<u>\$ 12,658</u>	<u>\$ 21,772</u>

Charter Township of Gun Plain
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
all agency funds
Year ended March 31, 2004

	<u>Balance April 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance March 31, 2004</u>
AGENCY FUND				
ASSETS				
Cash	<u>\$ 32</u>	<u>\$ 21,894</u>	<u>\$ 15,531</u>	<u>\$ 6,395</u>
LIABILITIES				
Due to other funds	<u>\$ 32</u>	<u>\$ 2,228</u>	<u>\$ 1,370</u>	<u>\$ 890</u>
Due to other governmental units	<u>-</u>	<u>19,666</u>	<u>14,161</u>	<u>5,505</u>
TOTAL LIABILITIES	<u>\$ 32</u>	<u>\$ 21,894</u>	<u>\$ 15,531</u>	<u>\$ 6,395</u>
TAX COLLECTION FUND				
ASSETS				
Cash	<u>\$ 2,410</u>	<u>\$ 4,895,675</u>	<u>\$ 4,893,725</u>	<u>\$ 4,360</u>
LIABILITIES				
Due to other funds	<u>\$ 2,410</u>	<u>\$ 366,288</u>	<u>\$ 364,338</u>	<u>\$ 4,360</u>
Due to other governmental units	<u>-</u>	<u>4,520,964</u>	<u>4,520,964</u>	<u>-</u>
Due to others	<u>-</u>	<u>8,423</u>	<u>8,423</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 2,410</u>	<u>\$ 4,895,675</u>	<u>\$ 4,893,725</u>	<u>\$ 4,360</u>
TOTAL - ALL AGENCY FUNDS				
ASSETS				
Cash	<u>\$ 2,442</u>	<u>\$ 4,917,569</u>	<u>\$ 4,909,256</u>	<u>\$ 10,755</u>
LIABILITIES				
Due to other funds	<u>\$ 2,442</u>	<u>\$ 368,516</u>	<u>\$ 365,708</u>	<u>\$ 5,250</u>
Due to other governmental units	<u>-</u>	<u>4,540,630</u>	<u>4,535,125</u>	<u>5,505</u>
Due to others	<u>-</u>	<u>8,423</u>	<u>8,423</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 2,442</u>	<u>\$ 4,917,569</u>	<u>\$ 4,909,256</u>	<u>\$ 10,755</u>

SUPPLEMENTARY DATA

Charter Township of Gun Plain

SCHEDULE OF BOND RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -

\$325,000 1993 sewer limited tax general obligation bonds

March 31, 2004

<i>Fiscal period</i>	<i>Interest requirement</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>May 1</i>	<i>November 1</i>			
2005	\$ 2,619	\$ 2,619	05/01/04	\$ 25,000	\$ 30,238
2006	1,969	1,969	05/01/05	25,000	28,938
2007	1,313	1,312	05/01/06	25,000	27,625
2008	1,312	-	05/01/07	25,000	26,312
	<u>\$ 7,213</u>	<u>\$ 5,900</u>		<u>\$ 100,000</u>	<u>\$ 113,113</u>

Charter Township of Gun Plain**SCHEDULE OF BOND RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -****\$690,000 1999 Lake Doster sewer limited tax general obligation bonds**

March 31, 2004

<i>Fiscal period</i>	<i>Interest requirement</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>May 1</i>	<i>November 1</i>			
2005	\$ 15,998	\$ 15,998	11/01/04	\$ 25,000	\$ 56,996
2006	15,448	15,448	11/01/05	25,000	55,896
2007	14,886	14,886	11/01/06	30,000	59,772
2008	14,196	14,196	11/01/07	30,000	58,392
2009	13,491	13,491	11/01/08	30,000	56,982
2010	12,771	12,771	11/01/09	35,000	60,542
2011	11,931	11,931	11/01/10	35,000	58,862
2012	11,073	11,073	11/01/11	40,000	62,146
2013	10,073	10,073	11/01/12	40,000	60,146
2014	9,053	9,053	11/01/13	40,000	58,106
2015	8,023	8,023	11/01/14	45,000	61,046
2016	6,853	6,853	11/01/15	45,000	58,706
2017	5,644	5,644	11/01/16	50,000	61,288
2018	4,300	4,300	11/01/17	50,000	58,600
2019	2,956	2,956	11/01/18	55,000	60,912
2020	1,478	1,478	11/01/19	55,000	57,956
	<u>\$ 158,174</u>	<u>\$ 158,174</u>		<u>\$ 630,000</u>	<u>\$ 946,348</u>

Charter Township of Gun Plain**SCHEDULE OF BOND RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -****\$890,000 1999 Lake Doster sewer special assessment bonds**

March 31, 2004

<i>Fiscal period</i>	<i>Interest requirement</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>September 1</i>	<i>March 1</i>			
2005	\$ 14,175	\$ 12,740	09/01/04	\$ 70,000	\$ 96,915
2006	12,740	11,270	09/01/05	70,000	94,010
2007	11,270	9,765	09/01/06	70,000	91,035
2008	9,765	8,225	09/01/07	70,000	87,990
2009	8,225	6,650	09/01/08	70,000	84,875
2010	6,650	5,040	09/01/09	70,000	81,690
2011	5,040	3,395	09/01/10	70,000	78,435
2012	3,395	1,715	09/01/11	70,000	75,110
2013	1,715	-	09/01/12	70,000	71,715
	<u>\$ 72,975</u>	<u>\$ 58,800</u>		<u>\$ 630,000</u>	<u>\$ 761,775</u>